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SUPPORTERS AND OPPONENTS of Sen. Robert Kasten's (R-Wis.) legislation to reform product liability laws differ on whether the bill (S.640) will be voted upon in the Senate this year. Speaking at a National Press Foundation forum in Washington last week, Alan Parker, deputy executive director of the Association of Trial Lawyers of America, said flatly, "it will not come up for a vote on the floor in this Congress." William D. Fay, executive director of the Product Liability Coordinating Committee that is pushing for adoption of Kasten's bill, is just as adamant the bill will get a floor vote. Fay noted that the bill has 35 co-sponsors, bipartisan support – including that of possible presidential candidate Jay Rockefeller (D-W.Va.) – and said Sen. Ernest Hollings (D-S.C.) has promised the Senate Commerce Committee he chairs will act on the bill by the end of September.

FINANCIAL PROBLEMS at Brazilian aircraft manufacturer Embraer have not only caused production disruptions, but also inhibited the company's ability to book new orders. A spokesman said last week the company has been unable to complete some export sales in recent months because financing packages previously provided for customers are no longer in place.

TRANSPORTATION SECRETARY Samuel Skinner's plans to build a new DOT headquarters building near Union Station in Washington, D.C. *(BA, July 30/34)* received a setback from the House Appropriations Committee last week. The committee rejected a DOT request for $69 million for communications costs related to the proposed new building. A General Services Administration request for $444.3 million for the same project was deleted earlier during House debate on the Treasury, Postal Service and General Government appropriations bill.

AVIATION INTERESTS had better luck with the Appropriations Committee last week. The panel included $635,000 for completion of research into alternative fuels for use in aircraft piston engines that currently burn leaded aviation gasoline. Referring to passage of the Clean Air Act amendments of 1990 *(BA, Jan. 21/21)*, the committee said it approved the money, which will be included in FAA's Research, Engineering and Development budget, because it feels "there is a need to carry the research forward and develop unleaded fuels so that the long-term availability of fuels is assured for general aviation." The committee also approved $500,000 for research into the effect of High Intensity Radiated (Electromagnetic) Field energy on avionics installations in aircraft *(see related article on Page 33)*.

CALIFORNIA JURY ASSESSES $57 MILLION PUNITIVE DAMAGE AWARD AGAINST BEECH

A California jury this month ordered Beech Aircraft Corp. to pay $57 million in punitive damages for a "bad faith" action that stemmed from a 1974 accident involving a Beech 95 Travelair aircraft. The accident, which caused the deaths of the pilot and three passengers, resulted in a lawsuit and a $2 million judgment that Beech eventually paid after several years of litigation and appeals.

During the litigation process, however, "Beech stonewalled discovery and refused to make any offers of settlement before trial, during trial, post-trial or while on appeal," said Daniel Cathcart, attorney for the plaintiffs. Cathcart said this violated a now-defunct California law that required insurance companies – in this case Beech used its own in-house Travelair Insurance Company – to make a "good faith effort" to settle the matter. Subsequently the Los Angeles-based attorney filed a bad faith action. The jury found "by clear and

(Continued on the following page)

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FAA'S $8.93 BILLION BUDGET READY FOR HOUSE VOTE – The House Appropriations Committee late last week approved the Federal Aviation Administration's $8.93 billion fiscal 1992 budget despite objections from Transportation Secretary Samuel Skinner *(BA, July 15/19)*. The Department of Transportation's $34.413 billion budget package, which includes FAA's budget, is now ready for consideration on the House floor. DOT budget contains a $1 billion increase over the Bush administration request and a $3.185 billion increase over the fiscal 1991 budget. FAA's budget, however, is short of the Bush administration's request for $9.267 billion.

Transportation Secretary Samuel Skinner said he is "deeply concerned that we not underfund the capital investment requirements of FAA." He noted that the committee reduced the administration's requests for FAA facilities and equipment from $2.7 billion to $2.47 billion. Skinner's chief concern was the committee's $146.6 million reduction in the funding for the Advanced Automation System, he said, adding that this cut would lead to "additional contract delays in delivery of new radar displays and air traffic control computers for controllers. Mandatory electric power system upgrades would also be delayed." Other cuts Skinner noted included $20 million for Terminal Voice Switch Replacement, $23.7 million for NEXRAD, $17.7 million for relocation of FAA's Central Flow Control, and $18.4 million for leased telecommunications equipment.

Skinner also expressed concern about funding that the committee included in the budget even though the administration did not request it. "I am disturbed that the committee would eliminate well-planned, mission essential projects, while providing $100 million of unrequested site-specific add-ons – especially air traffic control towers that do not meet established benefit/cost criteria. This is more than five times as much as was added last year for such projects." The committee increased the administration's request for air traffic control facilities by $600,000 for the operation of contract towers at Kenosha, Wis.; Athens/Ben Epps, Ga., and Gary, Ind. The committee also directed the FAA "not to reduce the hours of service at Niagara Falls International Airport control tower."

Appropriations Committee budget also recommended that FAA hire 450 new controllers, raising the total controller work force to 17,945. "The committee continues to be frustrated by the procedures used by the FAA in developing the agency's controller staffing requirements," the committee said. "On the one hand, there are continuing reports of controller staffing shortages at some air traffic control centers and Level 3 towers. On the other hand, the Inspector General recently reported that many of the Level 1 and Level 2 towers are overstaffed." Committee said FAA needs to prepare a facility-by-facility analysis of the needs of all the towers. "Such an analysis would provide the basis for a recruitment model that could ensure sufficient, but not excessive, controller staff in future years."

FAA's budget would draw down the uncommitted balance of the aviation trust fund by $900 million. The committee said this is possible because last fall's Airport and Airway Improvement Act repealed the penalty clause, which provided that for every one dollar FAA underspent on capital programs, two dollars were subtracted from the amount of trust fund money available for FAA's operation and maintenance expenses. "The Committee, therefore, is pleased that the penalty clause has been repealed and that general taxpayers will no longer be making large over-payments of FAA costs," the committee said in report language to the appropriations bill.

FAA Appropriations

(In Billions of Dollars)

	Fiscal 1989 Actual	Fiscal 1990 Actual	Fiscal 1991 Estimated	Fiscal 1992 Proposed	Fiscal 1992 House
Operations	3.445	3.824	4.037	4.457	4.342
Grants-in-aid for airports	1.400	1.422	1.800	1.900	1.9
Facilities and equipment	1.384	1.721	2.095	2.700	2.469
Research, engineering and development	0.160	0.170	0.205	0.210	0.218
Total	**6.389**	**7.137**	**8.137**	**9.267**	**8.929**

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BUSINESS/PERSONAL AIRCRAFT INDUSTRY – SECOND QUARTER UNIT SHIPMENTS

		2nd Quarter 91	Cal. Year
AEROSPATIALE GENERAL AVIATION			
• Single-Engine			
TB-9	Tampico	38	49
TB-10	Tobago	9	20
TB-20	Trinidad	14	23
TB-21	Trinidad TC	3	3
Total		64	95
AMERICAN GENERAL AIRCRAFT CORP.			
• Single-Engine			
AG-5/B	Tiger	27	44
Total		27	44
(Quarterly Billings $2,166,396)			
AVIAT (formerly Christen Industries)			
• Single-Engine			
S-1T	Pitts	0	0
S-2B	Pitts	9	17
A-1	Husky	10	19
Total		19	36
(9 Export)			
(10 Domestic)			
BEECH AIRCRAFT CORP.			
• Single-Engine			
BE-F33A	Bonanza	21	43
BE-A36	Bonanza	13	37
BE-36TC	Bonanza	3	7
BE-36AT		16	16
• Multi-Engine			
BE-58	Baron	10	17
BE-58P	Baron	0	0
BE-76	Duchess	0	0
BE-C90-1	King Air	7	15
BE-200	Super King Air	4	11
BE-200C	Super King Air	0	0
BE-200T	Super King Air	2	2
BE-300	Super King Air	1	2
BE-350	King Air	11	19
BE-350C		0	0
BE-1300		0	0
BE-1900C	Commuter	12	22
Starship 2000		0	1
Beechjet 400A		6	9
Total		105	201
(Quarterly Billings $152,811,896)			
BRITISH AEROSPACE			
• Multi-Engine			
BAe	Jetstream 31	9	17
BAe 146-100		0	2
BAe 146-200		3	3
BAe 146-300		6	9
HS-125-800A		2	3
HS-125-800B		2	6
Total		22	40
PILATUS BRITTEN-NORMAN			
• Multi-Engine			
BN-2B	Islander	3	3
BN-2T	Islander	0	1
Total		3	4
CANADAIR			
• Multi-Engine			
CL-601-3A		6	9
Total		6	9

		2nd Quarter 91	Cal. Year
CESSNA AIRCRAFT CO.			
• Single-Engine			
CE-208	Caravan I	16	30
• Multi-Engine			
CE-406	Caravan II	0	0
CE-550	Citation II	10	16
CE-650	Citation III	6	9
CE-560	Citation V	15	28
Total		47	83
(Quarterly Billings $172,414,186)			
DASSAULT AVIATION			
• Multi-Engine			
AD-My.50	Falcon	4	6
AD-My.900	Falcon	3	7
Total		7	13
De HAVILLAND AIRCRAFT OF CANADA			
• Multi-Engine			
DHC-8	Series 100	6	14
DHC-8	Series 300	10	23
Total		16	37
EMBRAER			
• Single-Engine			
EMB-201A	Ipanema	1	5
EMB-711ST	Corisco II	0	0
EMB-712	Tupi	1	1
EMB-720	Minuano	4	5
• Multi-Engine			
EMB-110	Bandeirante	1	2
EMB-120	Brasilia	12	20
EMB-121	Xingu	0	0
EMB-810D	Seneca II	8	16
EMB-820		0	0
EMB-821	Carajah	0	1
Total		27	50
FAIRCHILD AIRCRAFT			
• Multi-Engine			
Merlin IV-C		0	0
Metro III		8	9
Expediter		0	0
Total		8	9
GULFSTREAM AEROSPACE			
• Multi-Engine			
G-IV	Gulfstream IV	5	12
Total		5	12
ISRAEL AIRCRAFT INDUSTRIES			
• Multi-Engine			
1125	Astra	0	5
Total		0	5
LAKE AIRCRAFT			
• Single-Engine			
LA-4-200EP		0	0
LA-250	Renegade	4	7
Total		4	7
(3 Export)			
(1 Domestic)			

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BUSINESS AVIATION BRIEFS

INVESTMENT CANADA, the government agency overseeing the proposed sale of the de Havilland Division of Boeing Canada, late Friday said it was extending until Sept. 9 the deadline for Aerospatiale and Alenia to submit more information regarding their plan to acquire the Toronto aircraft manufacturer. Investment Canada said "sufficient progress has been made by the investors in addressing the concerns previously outlined that an extension is warranted." Minister Michael Wilson said last month that the government "is not satisfied that the proposal...is likely to be of net benefit to Canada," *(BA, June 24/261).* Officials said then that the Aerospatiale/Alenia proposal called for approximately $1 billion in financial aid from Canadian officials over a 10-year period and expressed concern about de Havilland's ability to continue as a self-sustaining aircraft manufacturing concern.

* * *

CANADAIR'S prototype Regional Jet flew to Wichita, Kan. last week where it will continue flight testing from Learjet's new flight test and certification operation center that opened in May. The aircraft, which had accumulated over 50 hours of flight time in 24 flights from Montreal, reached a speed of 250 knots and an altitude of 35,000 feet. The $8 million, 70,000-square-foot test center can accommodate all three aircraft that will be used in the program which will involve about 150 Canadair and Learjet employees. In-flight telemetry will provide data for analysis at both the Wichita and Montreal facilities, while the static test article and integrated systems test rigs will continue stress and function analysis in Montreal. Ferry flight from Montreal to Wichita took three hours and five minutes.

* * *

THREE FORMER EMPLOYEES of the Ellies Design Group have formed Lawton Associates to pursue aircraft interior design work. Jim Grimes was vice president of aviation for the Ellies Group, Donna Lawton was a senior designer and Ken Harvey was director of design. The firm is located at 1115 Canterbury, Dallas, Tex. 75208; telephone (214) 941-3167.

* * *

ACCIDENTS/INCIDENTS involving turbine-powered helicopters during the first six months of 1991 are detailed in charts *on Pages 39-40.* Information was compiled by Robert E. Breiling Associates, which specializes in analyses of business turbine aircraft accidents. Detailed narrative descriptions of the circumstances surrounding each accident/incident, plus those involving turboprops and business jets are available from Breiling. A review of accidents that occurred last year is available in *1990 Turbine Aircraft Accident Analysis*, published by the company. For more information, contact Robert E. Breiling Associates, 6020 N. Federal Highway, Suite 4, Boca Raton, Fla. 33487 or call (407) 338-6900.

* * *

ASTRA JET CORPORATION designated three new service centers for the Astra, Westwind and Jet Commander including Garrett General Aviation Division's Houston, Texas and Springfield, Ill. facilities and Aerocentro De Servicios C.A. of Caracas, Venezuela.

* * *

FLIGHTSAFETY INTERNATIONAL received a training contract from Lone Star Airlines, a Fort Worth, Tex. based regional carrier. FlightSafety will provide Metro III systems ground school, simulator training, aircraft training and FAR 135 simulator and aircraft check rides at its St. Louis Metro Learning Center.

* * *

CAE-LINK CORPORATION, Binghamton, N.Y., appointed George Houser president, effective July 29. Houser succeeds James Allen, who took over as the interim president in September 1990. Houser previously was president of Unisys Corporation's Shipboard and Ground Systems Group. Houser also has served as president of Singer-Link Flight Simulation Division prior to its acquisition by CAE.

* * *

AOPA AIR SAFETY FOUNDATION is accepting nominations for the 1991 Distinguished Pilot Award, which will be presented in October at AOPA's Convention in New Orleans, La. Nomination deadline is September 1. For more information, contact Greg A. Llafet, director of communications, AOPA Air Safety Foundation, 421 Aviation Way, Frederick, Md. 21701; (301) 695-2198.

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1991 TWIN TURBINE HELICOPTER ACCIDENTS/INCIDENTS

DATE	MODEL	DESCRIPTION	REGN	STATE	PHASE	OPER	PURP	FTL	DAM
91-01-07	AS-332M	Crash during post mtnce. Tail rtr. failed	-	Singapore	Cru	Comm	Test	4	D
01-26	MBB-117B1	Struck mtn. cruise. IMC, night (dark)	N891GM	PA	Cru	Comm	Ferry	4	D
02-10	BO-105CBS	Sank following precautionary eng.out ldg.	N5413D	AK	Ldg	Comm	Pass	-	D
02-24	BE-212	Pitched over during climb, ditch in ocean	5N-AJY	Nigeria	Clb	Comm	Pass	9	D
03-13	SA-330	Fell into sea during hover TO from oil rig	-	GM	TO	Comm	Pass	1	D
04-04	BE-412	Mid air with PA-600, crash in school yard	N78S	PA	Maneu	Corp	Pass	2	D
06-17	S-76A	Crash during TO from platform in Gulf	-	GM	TO	Comm	O.S.	-	S
06-27	S-64	Inadvertent power up,lift off, roll over	N6959R	WA	TO	Comm	Ext.Ld	-	S

Information is based on preliminary reports and is subject to change as investigation continues.

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1991 SINGLE TURBINE HELICOPTER ACCIDENTS/INCIDENTS

DATE	MODEL	DESCRIPTION	REGN	STATE	PHASE	OPER	PURP	FTL	DAM
91-01-19	B-206B3	Crash into Gulf of Mex. during VMC	N2269V	LA	Cru	Comm	O.S.	3	D
01-27	B-206L1	Crash off shore operating in marg.wx.	N39HC	LA	Cru	Comm	O.S.	2	D
01-31	SA-341G	Lost power shortly after takeoff	N341WC	FL	TO	Comm	Photo	-	D
02-13	B-206B	Mid air with other aircraft on takeoff	N2282T	CA	TO	Bus	Pass	-	D
02-16	B-206B	Crash lift off in white out conditions	N59568	AK	TO	Comm	Pass	-	S
02-22	B-206	Windshield penetrated by bird, cruise	N213AL	LA	Cru	Comm	Pass	-	M
02-22	FH-1100	Rolled over landing following vibration	N210FH	FL	Ldg	Bus	Photo	-	S
03-07	B-206	Crash in Gulf, no further information	-	GM	Cru	Comm	O.S.	-	D
03-07	B-206B2	Ext.strap fouled tail, during helo hoist	N59491	GM	Hvr	Comm	O.S.	1	S
03-11	H-369D	Power malf/failure, damaged autorotation	N1088L	OR	Cru	Busm	Pass	-	S
03-12	UH-1B	Tail rtr. malfunctioned TO, hard landing	N9687R	FL	TO	Comm	Aer.App.	-	S
03-27	H-369HS	Struck fence post with tail rotor landing	N5FC	MD	Ldg	Comm	Patrol	-	S
04-03	B-206B	Float separation during flight, hit rotor	N16964	AK	Cru	Comm	Pass	-	S
04-07	H-500D	Hard landing, helicopter rolled over	N1109Q	NV	Ldg	Bus	Pass	-	S
04-23	B-206B	Crash during off shore operations	N213AL	GM	Cru	Comm	O.S.	2	D
05-05	H-369HS	Power malf/failure,hit trees autorotation	N9219F	HI	Ldg	Comm	Pass	-	S
05-07	B-206B3	Drive coupling failed,hit bldg.on descent	N717NH	TX	Desc	Comm	Pass	-	D
06-04	H-500	Power malf/loss,crash during autorotation	N415B	Greece	Cru	Comm	Ferry	-	S
06-05	H-500	Crash during operation in IMC	N18KJ	CA	TO	Comm	Ferry	-	D
06-06	B-206B	Fuel exhaustion, crashed on approach	N2120X	HI	App	Comm	Pass	-	S
06-13	AS-350D	Power loss/malf., crash in parking lot	N214LA	CA	Cru	Police	Pass	3	D

Information is based on preliminary reports and is subject to change as investigation continues.

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